

DEPARTMENT OF BENEFIT PAYMENTS

744 P Street, Sacramento, CA 95814
(916) 322-8097



December 15, 1978

ALL-COUNTY LETTER NO. 78-53

TO: ALL COUNTY WELFARE DIRECTORS

SUBJECT: IN-HOME SUPPORTIVE SERVICES PROGRAM - MINIMUM WAGE AND SOCIAL
SECURITY INCREASES

REFERENCE:

Effective January 1, 1979, minimum wage and Social Security contributions will increase. Guidelines are included for each increase.

MINIMUM WAGE

In accordance with the federal Fair Labor Standards Act, minimum wage will increase from \$2.65 per hour to \$2.90 per hour effective January 1, 1979. This increase is included in the current year allocation and is to be reflected in the wages paid to providers. In-Home Supportive Services (IHSS) recipients at or near maximum grant levels may require a reduction of authorized service hours to remain within the statutory maxima.

SOCIAL SECURITY

In accordance with the Social Security Act, the employer's and employee's share of Social Security will increase from 6.05 percent to 6.13 percent effective January 1, 1979. Your method of determining the number of hours of service up to the statutory maximum for contract agency and county welfare providers should include the employer's share of employment-related benefits. For the individual provider method of service delivery only, the employer's share of Social Security should no longer be applied toward the recipient's maximum monthly grant level nor should hours of service be reduced due to the increase in the employer's share of Social Security contributions.

Until the statewide payroll system is implemented, recipients and/or counties should continue payment of Social Security taxes to the Internal Revenue Service through mechanisms currently in use.

WORKERS' COMPENSATION

For the individual provider method of service delivery only, the recipient's share of workers' compensation should no longer be applied toward the recipient's maximum monthly grant level nor should hours of service be reduced. This applies only to counties currently having and claiming workers' compensation costs. In accordance with AB 3028, the State is negotiating a policy to cover all individual providers for workers' compensation.

Contact your Adult Program Operations Bureau Consultant for additional program information, if needed. Claiming questions should be directed to the Financial Planning Administration Bureau at (916) 445-7046.

William B. Anderson for JH
JAMES H. GOMEZ
Deputy Director
Adult and Family Services

cc: CWDA